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*See  
Corp.  
Report*



*Annual Report*  
**QUEBEC  
MANITOU**  
MINES LIMITED  
(NO PERSONAL LIABILITY)

FOR THE YEAR ENDED DECEMBER 31st, 1965

# Quebec Manitou Mines, Limited

(No Personal Liability)

## OFFICERS

J. I. CUMMINGS - - - - - *President*  
D. L. CRAMP - - - - - *Vice-President*  
A. J. THOMAS - - - - - *Secretary-Treasurer*

## DIRECTORS

J. I. CUMMINGS - - Ottawa, Ont.      J. E. COPELAND - - Ottawa, Ont.  
JOHN J. URIE, Q.C. - Ottawa, Ont.      D. L. CRAMP - - - Toronto, Ont.  
GUY MOREAU - - Montreal, Que.      A. J. THOMAS - - Ottawa, Ont.  
WM. PAPKE, Montreal, Que.

## BANKERS

Canadian Imperial Bank  
of Commerce  
Ottawa, Ont., Val d'Or, Que.

## TRANSFER AGENT AND REGISTRAR

Eastern & Chartered Trust Company  
1901 Yonge St., Toronto, Ont., and  
388 St. James St. West,  
Montreal, Que.

## GENERAL MANAGER

J. I. CUMMINGS

## AUDITORS

JOHN CROSS & PARTNERS, Chartered Accountants  
Ottawa, Ont.

## GENERAL COUNSEL AND SOLICITOR

JOHN J. URIE, Q.C.

## HEAD OFFICE

202 Hope Chambers  
63 Sparks Street  
Ottawa, Ont.

## ANNUAL MEETING

April 5, 1966



# Quebec Manitou Mines, Limited

(No Personal Liability)

## REPORT TO THE SHAREHOLDERS

Your Directors submit herewith the following:

1. Financial statement for the year ending December 31, 1965
2. Auditors' Report
3. Notice of Annual Meeting
4. Proxy form

Since the last Annual Meeting there has been considerable activity in our organization. Supplementary Letters Patent were obtained, and an underwriting agreement was concluded under which 600,000 shares of our new treasury stock have already been issued, with options on another 400,000 shares still outstanding.

A small drilling programme on the thirty-five claims at Grassett Lake resulted in our dropping twenty of the claims. We have a new option on the remaining fifteen claims, and are planning further exploration.

The drilling programme on our Bourlamaque property is continuing with encouraging results. To date eight drill holes have been completed to depths of up to 800 feet, and in six of these significant copper mineralization has been encountered. Our engineer and geologist consider the results promising, and the drilling programme is being extended under their supervision.

No conclusion has been reached in our litigation with McWatters Gold Mines, Limited, but our legal advisors are working on a solution which we hope will be favourable to our Company.

Again in 1965 no interest was received on the Manitou-Barvue Mines, Limited, 5% debentures, but we expect that interest payments will be resumed during 1966.

Respectfully submitted,

J. I. CUMMINGS,

President.

# QUEBEC MANITOU

## Balance Sheet as at

### ASSETS

#### CURRENT ASSETS:

Cash in banks ..... \$ 38,290.21

#### INVESTMENTS:

Manitou-Barvue Mines, Limited 5% convertible,  
redeemable debentures, due December 31,  
1977 par value — \$705,973.00 — at cost  
(Interest waived 1962 to 1965) ..... \$640,000.00

Manitou-Barvue Mines, Limited, 423,852 common  
shares, par value \$1.00 (market value —  
February 10, 1966 — \$105,963.00) at cost ..... 200,657.45

Lyman Copper Corporation, 1,666 shares — par  
value \$1.00, book value ..... 1.00

840,658.45

#### FIXED ASSETS:

Furniture and fixtures — at cost ..... \$1,378.93  
Less: Accumulated depreciation ..... 469.11 ..... 909.82

Twenty-four mining claims in Township of  
Bourlamaque, Quebec, book value (Note 3) ..... 212,854.12

Fifty-five claims in Langmuir Township, Por-  
cupine District, Ontario (Nominal value of  
interest see Note 4) ..... 1,458.83

Option on 15 claims in Subercase and Grasse  
Townships, Quebec, acquired for cash  
(Note 5) ..... 3,095.00

218,317.77

#### DEVELOPMENT AND EXPLORATION

EXPENSES — per Statement 3 ..... 209,719.99

The accompanying notes are an integral part of this  
Balance Sheet and should be read in conjunction  
therewith.

\$ 1,306,986.42

Approved on behalf of the Board

AUDIT

To the Shareholders,  
Quebec Manitou Mines, Limited,  
Ottawa, Ontario.

We have examined the balance sheet of Quebec Manitou Mines, Limited as  
the period ended on that date. Our examination included a general review of the account  
considered necessary in the circumstances. Members of our firm own a nominal holding  
of development and exploration and surplus present fairly the financial position of the  
that date, in accordance with generally accepted accounting principles applied on a basis

OTTAWA, Ontario,  
February 11, 1966.



# MINES, LIMITED

STATEMENT 1

December 31, 1965

## LIABILITIES AND SHAREHOLDERS' INTEREST

ACCRUED EXPENSES .....	\$	1,559.97	
UNCLAIMED DIVIDENDS .....		640.69	
			\$ 2,200.66
SHAREHOLDERS' INTEREST:			
CAPITAL STOCK:			
Authorized:			
5,000,000 shares — par value \$1.00 ....	\$	5,000,000.00	
Issued and Fully Paid Up: (Notes 1 and 2)			
Issued for Cash:			
1,990,700 shares .....	\$	1,990,700.00	
Less: Discount .....		1,501,879.25	
			488,820.75
Issued for Assets:			
1,396,300 shares .....		1,396,300.00	
Less: Discount .....		1,221,762.50	
			174,537.50
Issued for Services:			
13,000 shares .....		13,000.00	
Less: Discount .....		10,300.00	
			2,700.00
TOTAL SHARES ISSUED:			
3,400,000 .....			666,058.25
EARNED SURPLUS:			
Balance — December 31, 1965			
— per Statement 2 .....			50,556.84
SURPLUS ARISING FROM CAPITAL GAINS:			
Balance — December 31, 1965			
— per Statement 2 .....			588,170.67
			1,304,785.76
			<u>\$ 1,306,986.42</u>

Directors:

UMMINGS, Director.

RIE, Q.C., Director.

REPORT

umber 31, 1965, and the statements of development and exploration and surplus for  
cedures and such tests of the accounting records and other supporting evidence as we  
Company's capital stock. In our opinion the accompanying balance sheet and statements  
ny as at December 31, 1965 and the results of its operations for the period ended on  
at with that of the preceding year.

JOHN CROSS & PARTNERS,  
Chartered Accountants.

# Quebec Manitou Mines, Limited

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## NOTES TO BALANCE SHEET

As at December 31, 1965

1. Under the terms of an Underwriting and Option Agreement dated March 21, 1965, 300,000 shares of Capital Stock were issued at a price of 18¢ per share.
2. By the same option agreement the company granted to the Underwriter options on an additional 700,000 shares of Capital Stock as follows:

100,000 shares at 18¢ within	3 months after effective date
200,000 shares at 23¢ within	6 months after effective date
200,000 shares at 28¢ within	9 months after effective date
200,000 shares at 33¢ within	12 months after effective date

The first two options above have been exercised, and each of the other options has since been extended for an additional three months.

3. The twenty-four mining claims in Bourlamaque Township, Quebec are held under development licenses. This property, originally consisting of 61 claims, was acquired from Manitou Mines (Quebec) Limited at the total value of advances previously made to that company. Later, 37 of the claims were sold to Golden Manitou Mines, Limited, now Manitou-Barvue Mines, Limited, for 1,500,000 shares of that company's capital stock, valued at two cents per share, \$30,000.00. Development expenses incurred on the claims disposed of, less this amount, were written off against Capital Surplus (see Statement 3).
4. The company is still involved in litigation in order to assert its half-interest in certain mining claims in the Porcupine District of Ontario which by agreement are jointly owned with McWatters Gold Mines, Limited. Pursuant to the said agreement, development and exploration costs are to be shared equally and when the dispute is adjudicated, the company's liability for its share of said costs will become due and payable. Until a Court decision has been handed down, it is not possible to state the amount of the liability. This property is carried on the Balance Sheet at one-half the cost of staking and registering the claims, paid in cash to McWatters Gold Mines, Limited.
5. The original option on fifteen claims in Subercase and Grasset Townships, Quebec was allowed to lapse on the advice of the Company's consulting engineer, but the optioner has since agreed to extend the option on terms favourable to the company.



# Quebec Manitou Mines, Limited

## STATEMENT 2

### STATEMENT OF SURPLUS For the year ended December 31, 1965

#### STATEMENT OF EARNED SURPLUS

Balance — January 1, 1965 .....	\$ 54,650.30
Deduct: Costs of supplementary letters patent, underwriting agreement, and filing .....	4,093.46
Balance — December 31, 1965 .....	<u>\$ 50,556.84</u>

#### STATEMENT OF CAPITAL SURPLUS

Balance — January 1, 1965 .....	\$823,660.83
Deduct: Loss on sale of 40,000 shares of Manitou-Barvue Mines, Limited, stock .....	\$ 2,407.82
Development expenses prior to December 31, 1941 included in book value of Bourlamaque property (see Balance Sheet notes) .....	233,082.34
Balance — December 31, 1965 .....	<u>235,490.16</u>
	<u>\$588,170.67</u>

## STATEMENT 3

### STATEMENT OF DEVELOPMENT AND EXPLORATION EXPENSE For the year ended December 31, 1965

Balance — December 31, 1964 .....	\$172,036.16
Exploration and Development:	1965
Engineering and property reports .....	\$ 1,531.75
Diamond drilling .....	13,318.78
Licences and fees .....	819.00
Assays .....	77.50
Wages .....	2,326.67
Travelling and field costs .....	3,543.06
Equipment expense and rentals .....	3,107.77
Exploration .....	475.40
	25,199.93
Administrative and General:	
Rent, clerical services and supplies .....	2,575.68
Telephone and telegraph .....	469.26
Share certificates .....	328.50
Government fees .....	10.00
Provincial taxes .....	290.00
Transfer agents' fees and expenses .....	1,432.06
Legal and audit .....	1,800.00
Salary — President .....	4,800.00
Shareholders' meetings and reports .....	564.83
Travelling and Directors' expenses .....	448.05
Miscellaneous .....	108.94
Business tax .....	166.36
Interest earned .....	(509.78)
	12,483.90
Balance — December 31, 1965 .....	<u>\$209,719.99</u>

# Quebec Manitou Mines, Limited

STATEMENT 4

## STATEMENT OF RECEIPTS AND DISBURSEMENTS

For the year ended December 31, 1965

### RECEIPTS

Cash in banks — January 1, 1965 .....	\$ 1,612.35
ADD:	
Interest on bank deposits .....	\$ 509.78
Proceeds of sale of 40,000 shares Manitou-Barvue Mines, Limited .....	7,602.18
Sale of treasury stock — 400,000 shares @ .18¢ ..	72,000.00
	<u>80,111.96</u>
	<u>81,724.31</u>

### DISBURSEMENTS

Head office and administration expenses .....	13,596.98
Transfer agency fees .....	1,297.06
Cost of supplementary letters patent, underwriting costs, etc. ....	4,093.46
Development and exploration expenses .....	24,444.60
Old dividend cheque cashed .....	2.00
	<u>43,434.10</u>
Cash in banks — December 31, 1965 .....	<u>\$ 38,290.21</u>

